GOVERNMENT OF INDIA
COAL
LOK SABHA

UNSTARRED QUESTION NO:348
ANSWERED ON:24.07.2001
SICK COAL MINES
PRIYA RANJAN DASMUNSI;SUNIL KHAN

Will the Minister of COAL be pleased to state:

(a) whether some collieries of ECL are already closed due to non availability of coal;

(b) if so, the details thereof;

(c) the future programme of the Government for E.C.L.;

(d) the details of coal mines under ECL in the State of West Bengal that are facing threat for their economic survival;

(e) the new coal mines that could be explored in the State for further production.;

(f) whether the Government propose to privatise the coal mines in the State or to offer new coal mines to private parties; and

(g) if so, the details thereof?

Answer

MINISTER OF STATE FOR COAL (SHRI SYED SHAHNAWAZ HUSSAIN)

(a) & (b) : 49 mines/units have been closed in ECL since nationalisation due to exhaustion of reserves.

(c) : Because of substantial increase in the accumulated losses, the Company's networth as on 31.3.99 again became negative to the extent of (-) Rs. 49.35 crores and, therefore, ECL had no otheroption but to refer itself to Board for Industrial and Financial Reconstruction(BIFR)once again on 17.11.99. The reference of ECLwas heard by BIFRin its hearing on 30.8.2000. On consideration of the case, BIFRhave recently declared ECL as a sick industrialcompany and appointed State Bank of India as the operating agency to prepare a revival plan for the company and submit the same to BIFR

(d) : 92 mines of ECL incurred losses during the year 2000-01.

(e) : Three new projects and reorganisation of 11 existing mines have been identified in the state of West Bengal, to be undertaken during the IX/X plan, subject to availability of fund.

(f) & (g) : The Government has no proposal to privatise the existing coal mines of Coal India Limited (CIL)in the State. However, a few coal blocks are offered to private parties for captive use of coal in terms of amendment carried out in 1993 in the Coal Mines (Nationalisation) Act, 1957.